Disinvestment of RITES and IRCON

†2999. PROF. R.B.S. VARMA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government propose to disinvest the profit earning Public Sector Undertakings *viz.* RITES Limited and IRCON Limited;

(b) if so,the reasons therefor;

(c) whether Government have taken any action for the disinvestment of the said companies; and

(d) if so, the details thereof?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) to (d) The declared disinvestment policy of the Government is that the Government, in generality of cases, will reduce its equity to 26% or below in Central Public Sector Undertakings operating in non-strategic areas. This policy is applicable to all Central Public Sector Undertakings, whether profit making or not. Disinvestment in Central Public Sector Undertakings is a continuous process and Government keeps considering proposals for disinvestment in various Central Public Sector Undertakings from time to time. No decision has been taken for disinvestment in RITES Limited and IRCON International Limited.

Disinvestment of HPCL/BPCL

3000. SHRI K.B. KRISHNA MURTHY: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the remuneration package of the employees of MNCs, who are bidders for HPCL/BPCL stakes, is much more than that prevailing in the Oil PSUs;

(b) whether the opposition to the HPCL disinvestment proposal by the staff unions is based on considerations other than professional or economic security related; and

†Original notice of the question was received in Hindi.

(c) whether any effort has been made to ascertain the will of the rank and file of HPCL/BPCL staff, rather than going by the staff union's demands?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) In the case of HPCL, which would be disinvested through strategic sale, individual enterprises would be bidders. However, no comparison of the remuneration package for employees of companies who have shown Expression of Interest with that prevailing in the Public Sector Undertaking (PSU) under disinvestment is made. In the case of BPCL, since the shares would be divested through sale to public in the domestic and international market, this question does not arise.

(b) and (c) Understandably, employees of PSUs under disinvestment such as HPCL do have concerns about their status post-disinvestment. Government, therefore, engages in constant dialogue with all cross-sections of the PSU management/staff and serious efforts are made to address these concerns.

Disinvestment of ITDC restaurants

†3001. SHRI ABHAY KANT PRASAD: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government propose to give on lease/disinvest the profit earning I.T.D.C. restaurants set up at the airports in the country;

(b) if so, the details thereof, their present status and the amount received as a result thereof; and

(c) the estimated loss likely to be suffered by Government?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) The disinvestment plan in respect of the hotel properties of India Tourism Development Corporation Limited (ITDC) envisage demerger of its hotel properties into separate companies and disinvestment through sale of 100% of Government's shareholding in the demerged companies or through longterm Lease-cum-Management contract. The sale/lease implies transfer of the business including contracts and permits in respect of the Airport

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